

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
BOARD OF OIL AND GAS CONSERVATION
HELENA, MONTANA

CONSERVATION AND PREVENTION)
OF WASTE OF OIL AND GAS)

NOTICE OF PUBLIC HEARING

The Board of Oil and Gas Conservation will hold a business meeting at 2:00 p.m., Wednesday, April 5, 2000, at its office located at 2535 St. Johns Avenue, Billings, Montana. The agenda for that meeting is:

1. Call to order
2. Approval of minutes of February 9, 2000, business meeting
3. Opportunity for public comment
4. Bond report
5. Financial report
6. UIC Issues
7. Update on grant application and BLM Environmental Assessment
8. Staff reports

The Board will conduct public hearings pursuant to Chapter 11 of Title 82 of the Montana Code Annotated on the matters described below beginning at 8:00 a.m., Thursday, April 6, 2000, in the Billings Petroleum Club, Sheraton Hotel, Billings, Montana. For more information or to request accommodation for a disability, please contact Terri Perrigo at (406) 444-6675 or Tom Richmond at (406) 656-0040 as soon as possible before the scheduled hearing.

Docket No. 34-2000

APPLICANT: PRONGHORN PETROLEUM JOINT VENTURE – FALLON COUNTY, MONTANA

Upon the application of **PRONGHORN PETROLEUM JOINT VENTURE** for a Class II injection well permit for its Federal 1-26 SWD well in Section 26, T9N-R59E, Fallon County, Montana. The application, which is on file with the Board and available for inspection by all interested parties, contains the information required by ARM 36.22.1403. Applicant proposes to inject water from the Red River Formation into the Charles Formation at a perforated interval of 7650 to 7664 feet.

Docket No. 35-2000

APPLICANT: WADE S. HAWLEY dba GALLUP CITY OIL – PONDERA AND TETON COUNTIES, MONTANA

Upon the application of **WADE S. HAWLEY dba GALLUP CITY OIL** for relief from Board Order 104-97, which shut-in production from applicant's facilities in Pondera County and Teton County, Montana.

Docket No. 36-2000

APPLICANT: ENCORE OPERATING, L.P. – FALLON COUNTY, MONTANA

Upon the application of **ENCORE OPERATING, L.P.** for permission to drill up to a total of four Red River horizontal test wells in a 640 acre spacing unit consisting of all of Section 26, T9N-R58E, Fallon County, Montana, as an exception to the Monarch Field rules established by Board Order 12-59.

Docket No. 37-2000

APPLICANT: JURASSIC RESOURCES DEVELOPMENT NORTH AMERICA - WIBAUX COUNTY, MONTANA

Upon the application of **JURASSIC RESOURCES DEVELOPMENT NORTH AMERICA** to extend the Pine Gas Field established by Board Orders 35-54, 37-62, 37-62A, and 16-97 to include the NW $\frac{1}{4}$ and the SW $\frac{1}{4}$ of Section 2 and all of Section 13, T11N-R57E, Wibaux County, Montana.

Docket No. 38-2000

APPLICANT: JURASSIC RESOURCES DEVELOPMENT NORTH AMERICA - FALLON COUNTY, MONTANA

Upon the application of **JURASSIC RESOURCES DEVELOPMENT NORTH AMERICA** to extend the Pine Gas Field as established by Board Orders 35-54, 37-62, 37-62A, and 16-97 to include the SW $\frac{1}{4}$ and the SE $\frac{1}{4}$ of Section 26; all of Section 27; the NE $\frac{1}{4}$ of Section 28; the NE $\frac{1}{4}$ of Section 34; the NW $\frac{1}{4}$, NE $\frac{1}{4}$ and SE $\frac{1}{4}$ of Section 35; and the NW $\frac{1}{4}$ and SW $\frac{1}{4}$ of Section 36, all in T11N-R57E, Fallon County, Montana

Docket No. 39-2000

APPLICANT: BERCO RESOURCES, LLC – RICHLAND COUNTY, MONTANA

Upon the application of **BERCO RESOURCES, LLC** to designate the NE $\frac{1}{4}$ of Section 9 and the NW $\frac{1}{4}$ of Section 10, T25N-R55E, Richland County, Montana, as a permanent spacing unit for the Nisku Formation and designating its Tiller #1-9 well as the permitted well in said spacing unit and permitting the commingling of production from the Red River and Nisku Formations in said well.

Docket No. 40-2000

APPLICANT: BERCO RESOURCES, LLC – ROOSEVELT COUNTY, MONTANA

Upon the application of **BERCO RESOURCES, LLC** to drill, complete, and produce two wells from the Ratcliffe/Mission Canyon Formations within each of the following 160 acre spacing units as an exception ARM 36.22.702: the SE $\frac{1}{4}$ of Section 18, the NE $\frac{1}{4}$ of Section 19, and the NW $\frac{1}{4}$ of Section 20, all in T29N-R59E, Roosevelt County, Montana.

Docket No. 41-2000

APPLICANT: BERCO RESOURCES, LLC – SHERIDAN COUNTY, MONTANA

Upon the application of **BERCO RESOURCES, LLC** to permit the commingling of production from the Red River and Winnipegosis Formations in its Brekke #1 well located in the S $\frac{1}{2}$ of Section 1, T33N-R55E, Wakea Field, Sheridan County, Montana.

Docket No. 42-2000

APPLICANT: BERCO RESOURCES, LLC – DAWSON COUNTY, MONTANA

Upon the application of **BERCO RESOURCES, LLC** to drill a horizontal test well in the Charles Formation in a 160 acre temporary spacing unit consisting of the SE $\frac{1}{4}$ of Section 6, T16N-R54E, Dawson County, Montana, as an exception to the Woodrow Field rules established by Board Order 47-62.

Docket No. 43-2000

APPLICANT: BERCO RESOURCES, LLC – DAWSON COUNTY, MONTANA

Upon the application of **BERCO RESOURCES, LLC** to drill a dual lateral horizontal test well in the Interlake and Red River Formations in a 160 acre temporary spacing unit consisting of the SE $\frac{1}{4}$ of Section 6, T16N-R54E, Dawson County, Montana, and to commingle such production as an exception to the Woodrow Field rules established by Board Order 47-62.

Docket No. 44-2000

APPLICANT: BERCO RESOURCES, LLC – DAWSON COUNTY, MONTANA

Upon the application of **BERCO RESOURCES, LLC** to drill a horizontal test well in the Charles Formation in a

160 acre temporary spacing unit consisting of the NW¼ of Section 17, T16N -R54E, Dawson County, Montana, as an exception to the Woodrow Field rules established by Board Order 47-62.

Docket No. 45-2000

APPLICANT: YELLOWSTONE PETROLEUMS INC. – GLACIER COUNTY, MONTANA

Upon the application of **YELLOWSTONE PETROLEUMS INC.** to recomplete its Essex Cobb #2 well located in Section 14, T37N-R5W, Glacier County, Montana, as an injection well in the Madison Limestone. The application, which is on file with the Board and available for inspection by all interested parties, contains the information required by ARM 36.22.1403. Applicant proposes to inject water from the Cut Bank Sands into the Madison Limestone at a depth of 2745 feet.

Docket No. 46-2000

APPLICANT: BOWERS OIL & GAS, INC. – FALLON COUNTY, MONTANA

Upon the application of **BOWERS OIL & GAS, INC.** to delineate Sections 6 and 8 of T4N-R61E, and Section 34, T5N-R60E, Fallon County, Montana, as a field for the production of gas from the Eagle Formation and to establish regular governmental quarter section (160 acre) spacing units for production from the Eagle Formation in said field.

Docket No. 47-2000

APPLICANT: HAWLEY OIL – PONDERA COUNTY, MONTANA

Upon the application of **HAWLEY OIL** for a Class II saltwater disposal permit for the H.B. Erickson #3 well located 1540 FSL and 1540 FWL of Section 3, T27N-R4W, Pondera County, Montana. The source of the injected fluids will be produced water from the Madison Formation in the Pondera Field. The proposed disposal zone is the Madison Formation at a depth of 1879 to 1931 feet.

Docket No. 48-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. – BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to amend Board Order 95-99 to authorize the drilling of an Eagle Sand Formation gas well 990 FWL and 1980 FSL of Section 4, T27N-R19E, Blaine County, Montana, as an exception to the Sawtooth Mountain Field rules.

Docket No. 49-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. – BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to permit the drilling of three additional Eagle Sand Formation gas wells within Section 24, T27N-R18E, Blaine County, Montana, on a quarter section basis with 990 foot setbacks from the section line and minimum setbacks of 660 feet from the interior quarter section boundary lines thereof with a 75 foot tolerance in any direction for topographic or geologic reasons as an exception to ARM 36.22.702.

Docket No. 50-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. – CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle-Virgelle Formation gas well 773 FWL and 2162 FSL within the spacing unit comprised of the ~~S1/4~~ Section 27, T27N -R16E, Chouteau County, Montana, with a 75 foot tolerance in any direction for topographic or geologic reasons, as an exception to the Bullwacker Field rules established by Board Order 26-74.

Docket No. 51-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. – CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well within the spacing unit comprised of the ~~N1/4~~ Section 27, T27N -R16E, Chouteau County, Montana, not closer than 660 feet to the spacing unit boundary, with a 75 foot tolerance in any direction for topographic or geologic reasons as an exception to the Bullwacker Field rules established by Board Order 26-74.

Docket No. 52-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. – HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill three additional Eagle Sand Formation gas wells on a quarter section basis within Section 33, T32N-R14E, Hill County, Montana, with 990 foot setbacks from the section line and minimum setbacks of 660 feet from the interior quarter section boundary lines thereof with a 75 foot tolerance in any direction for topographic or geologic reasons. Applicant further requests permission to drill its Daniel #33-12-32-14 well 850 FWL and 2310 FSL in said Section 33 with a 75 foot tolerance for topographic or geologic reasons as an exception to ARM 36.22.702.

Docket No. 53-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. – HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill its Berg #32-12-32-14 well at a location 1200 FWL and 2200 FSL of Section 32, T32N-R14E, Hill County, Montana, with a 75 foot tolerance for topographic or geologic reasons as an exception to Board 9-2000.

Docket No. 54-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. – BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to amend Board Order 25-99 to authorize the drilling of an additional Eagle Sand Formation gas well within the NE $\frac{1}{4}$ of Section 1, T27N -R18E, Blaine County, Montana, at a location 3080 FNL and 1000 FEL with a 75 foot tolerance in any direction for topographic or geologic reasons.

Docket No. 55-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. – HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle Sand Formation gas well within the spacing unit comprised of the NW $\frac{1}{4}$ of Section 24, T30N -R15E, Hill County, Montana, at a location 500 FNL and 2310 FWL with a 75 foot tolerance in any direction for topographic or geologic reasons, as an exception to the Tiger Ridge Field rules established by Board Orders 10-70, 9-90, and FED 1-90.

Docket No. 56-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. – HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle Sand Formation gas well within the spacing unit comprised of the SW¼ of Section 13, T30N -R15E, Hill County, Montana, at a location 2310 FSL and 2310 FWL with a 75 foot tolerance in any direction for topographic or geologic reasons as an exception to the Tiger Ridge Field rules established by Board Orders 10-70, 9-90 and FED 1-90.

Docket No. 57-2000

APPLICANT: THE HAWLEY COMPANIES – PONDERA AND TETON COUNTIES, MONTANA

Upon the application of **MERRILL S. HAWLEY dba HAWLEY OIL, HAWLEY HYDROCARBONS, AND HAWLEY NORTHROP** for relief from Board Order 104-97, which shut-in production from applicant's facilities in Pondera County and Teton County, Montana.

Docket No. 2-2000
Continued from February 10, 2000

APPLICANT: JURASSIC RESOURCES DEVELOPMENT NORTH AMERICA - WIBAUX COUNTY, MONTANA

Upon the application of **JURASSIC RESOURCES DEVELOPMENT NORTH AMERICA** to enlarge the Pine Gas Field to include the E2 of Section 16, T11N-R57E, Wibaux County, Montana, and to establish spacing for formations from 700 to 2750 feet in depth at one well per 160 acre regular quarter section with wells to be located anywhere within the spacing unit but not less than 660 feet from the spacing unit boundary with a topographic tolerance of 460 feet.

Docket No. 96-99
Continued from October 28, 1999

APPLICANT: NORTHERN OIL PRODUCTION, INC. - SHERIDAN COUNTY, MONTANA

Upon the application of **NORTHERN OIL PRODUCTION, INC.** to designate the NE3 of Section 14, T34N-R56E, Sheridan County, Montana, as the spacing unit for production from the #1 Larsh well in said quarter section as an exception to A.R.M. 36.22.702 (4). The #1 Larsh well is producing from the Red River Formation. Applicant further requests that the Board determine that the 160 acre spacing unit shall apply to all formations capable of production in the above described location and spacing unit.

Docket No. 58-2000
Order to Show Cause

RESPONDENT: C-W OIL AND GAS – TOOLE COUNTY, MONTANA

Upon the Board's own motion requiring **C-W OIL AND GAS** to appear and show cause why it should not be required to immediately proceed to clean up and restore the surface of certain oil and gas leases in the Kevin-Sunburst Field, Toole County, Montana.

Docket No 59-2000
Order to Show Cause

RESPONDENT: FULTON FUEL COMPANY – HILL COUNTY, MONTANA

Upon the Board's own motion requiring **FULTON FUEL COMPANY** to appear and show cause why it has failed to properly plug and abandon its well in the SE¼ of Section 8, T33N-R14E, Hill County, Montana.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Terri Perrigo, Executive Secretary